

§ 45-21.33A. Effect of foreclosure on preexisting tenancy.

(a) For the purposes of this section, "purchaser" means any purchaser or successor in interest who has acquired title to single-family residential real property pursuant to this Article.

(b) Unless a purchaser will occupy the premises as a primary residence, the purchaser shall assume title subject to the rights of any tenant to occupy the premises until the end of the remaining term of the lease or one calendar year from the date the purchaser acquires title, whichever is shorter. In no event shall the purchaser be required to renew the existing lease.

(c) Subsection (b) of this section shall apply only to a lease that meets all of the following criteria:

- (1) The tenant is not the debtor under the security instrument foreclosed or the child, spouse, or parent of the debtor.
- (2) The lease is in writing, is not terminable at will, and requires the receipt of rent that is not substantially less than fair market rent for the property, provided that the rent has not been reduced or subsidized due to a federal or State subsidy.

(d) A purchaser shall provide a tenant in possession of the single-family residential real property notice to vacate at least 90 days before making an application for possession pursuant to G.S. 45-21.29(k) in any of the following circumstances:

- (1) The tenant has an oral lease or the lease is terminable at will.
- (2) The purchaser will occupy the premises as a primary residence.

(e) This section shall not apply to the following:

- (1) The option to purchase terms of an option contract as defined in G.S. 47G-1(4).
- (2) A lease of residential real property where there is an "imminently dangerous condition" as defined in G.S. 42-42(a)(8) on the premises as of the date of acquisition of title by the purchaser.

(f) Nothing in this section shall be construed to limit the remedies available to the purchaser for breaches of the lease terms by the tenant. (2015-178, s. 2(b).)